BRITISH COLUMBIA
The Best Place on Earth

BC STATS
Service BC
Ministry of Labour and Citizens' Services

Jade Norton
(250) 387-6056
Jade.Norton@gov.bc.ca
June 2007
Issue: 07-1

Small Business Quarterly ◆ 1st Quarter 2007

- In the first quarter, employment in small businesses (excluding self-employed) climbed 1.8% over the same quarter of 2006. The fastest growth was in the number of jobs in businesses with 20-49 employees (+3.3%) as employment growth in businesses with fewer than 20 employees was only 1.1%.

- The number of self-employed persons with employees of their own grew 9.4% in first quarter of 2007 over the same three months of 2006. This represents a net increase of over 12,000 people. The number of self-employed people without paid employees was also up (+1.8% year-over-year) contributing to an overall increase of 3.5% for self-employment in BC.

- The number of small businesses in BC (excluding self-employed persons without paid help) grew 4.1% on average in 2006, including a 3.1% jump in the fourth quarter compared to the same period in 2005. The most significant growth in the fourth quarter was in the number of medium-sized businesses with between 20 and 49 employees. The count of businesses in this group climbed 4.5%.

- New business incorporations were down 2.9% in the first quarter of 2007, compared to the same quarter a year earlier. This ended a long growth streak, marking the first quarter of year-over-year decline since 2002.

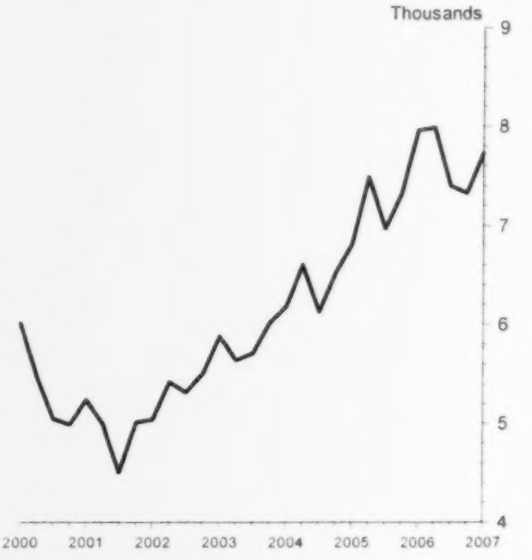
- Consumer bankruptcies fell for the sixth straight quarter, dropping 7.6% from the first quarter of last year. Business bankruptcies also continued to slide, experiencing a substantial decrease (-37.6%).

- The value of commercial building permits issued in BC continued to soar, rising 54.8% in the first quarter, while the value of industrial building permits also increased, up 3.6% from a year earlier. Urban housing starts in the province, on the other hand, continued to slip, dropping 9.0% over the same period of 2006.

- Compared to the first quarter of last year, mortgage rates were higher at the beginning of 2007 (+0.20 percentage points). Interest rates also continued to head back up, reaching levels comparable to those of 2001.

- The number of chartered bank business loans jumped 13.5% in the first quarter. Larger loans increased substantially, while smaller loans under $200,000 declined (-3.9%).

The number of new business incorporations in BC has been trending up since mid-2001



BC's Entrepreneurs

Being your own boss was the fastest growing vocational option of the 1990s. Over that decade, British Columbians discovered record numbers of self-employment possibilities in both the goods and services sectors. The record-growth of the 1990s showed signs of levelling off at the turn of the century, but as we move through the first decade of the 2000s, the pattern appears to be repeating itself.

How many British Columbians work for themselves?

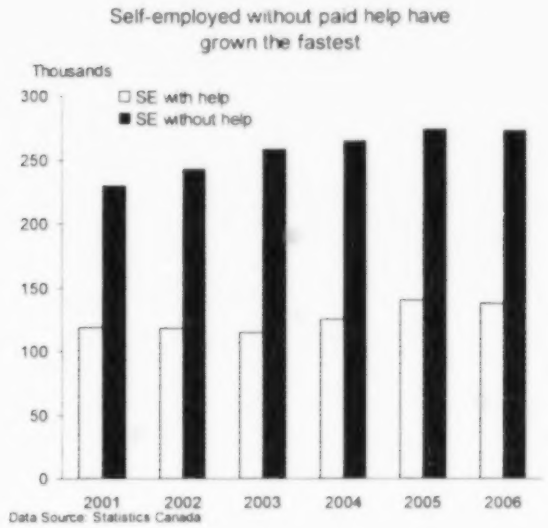
BC experienced a slight decrease (-0.5%) in self-employment between 2005 and 2006 as the number of self-employed slipped from 415,800 to 413,700. This coincided with a 3.5% increase in overall employment in the province. One possible explanation for the decline in self employment is that, given BC's tight economy and recent labour shortages,[1] some self-employed workers are making a move into the employee workforce.

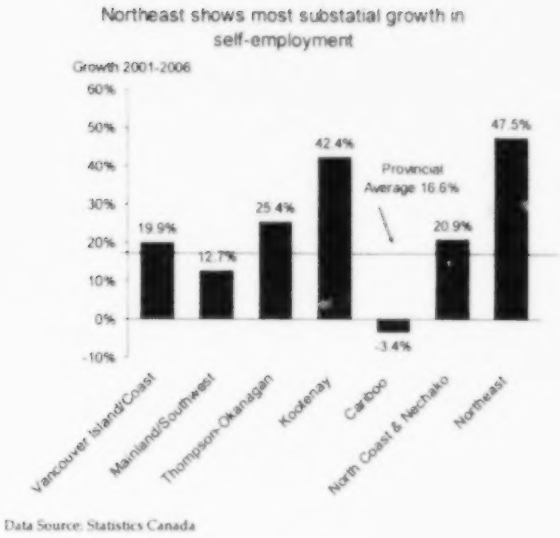
Despite the stall in self-employment growth last year, the overall picture has been notably positive in recent years. Between 1996 and 2006, there was a 38% increase in self-employment in British Columbia. Over the past five years alone, the number of self-employed people jumped from 351,400 in 2001 to 413,700 in 2006 (+18%).[2] Over the same five-year period, the proportion of total employment comprised of self-employed workers remained fairly steady at between 18 and 19 percent. Of the 413,700 self-employed individuals working in British Columbia last year, about 4,600 were working in family businesses without pay, leaving 409,100 self-employed business owners. The large majority (62%) of self-employed businesses were unincorporated. Unincorporated individuals working on their own with no employees made up the largest class of self-employed small businesses, with 52% of all self-employed in this category.

The growth in self-employment in the province has occurred most substantially within the group of self-employed *without* paid help. Meanwhile, the number of self-employed persons *with* employees remained fairly constant. However, in recent years, both classifications have exhibited similar signs of growth. Between 2001 and 2006, the number of self-employed *without* employees experienced a 19% rise, while the number *with* employees climbed 16%. Despite recent growth in the number of self-employed *with* paid help, the share of self-employed *without* employees has remained at about 65% of total self-employed over the past 5 years.

[1] For more information on labour shortage, see the 1st Quarter 2006 issue of the Small Business Quarterly, "Now Hiring: BC Labour Well Running Dry"

[2] There are, in addition, likely many people working as employees who have taken up self-employed work to augment their salaried income. However, such workers are not included in figures quoted in this article except where specifically indicated. The 'self-employed' as counted here are people for whom their self-employed work constitutes the job 'at which they work the most hours.'





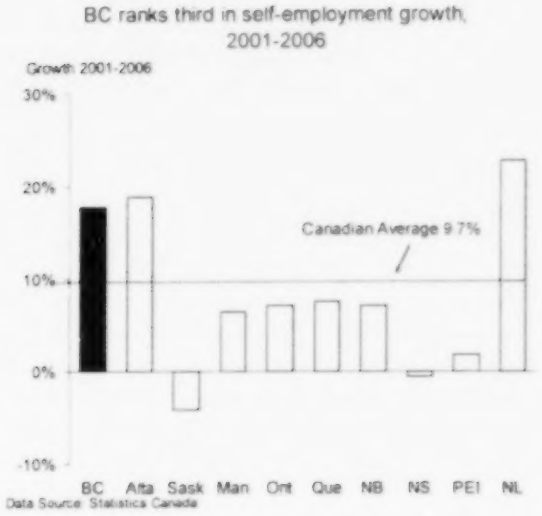
In which region of the province is self-employment growing the fastest?

The North-East was the BC region with the strongest growth in the number of self-employed between 2001 and 2006. Its staggering 47.5% jump in self-employment slightly outstripped the 42.4% rise recorded in Kootenay. Vancouver Island/Coast (+19.9%), home to BC's capital city, and Mainland/Southwest (+12.7%), home to the main metropolitan centre of Vancouver, have also seen strong growth in self-employment over the past five years. The only region with a decline in entrepreneurs over this period was Cariboo (-3.4%).

How does BC measure up to other provinces?

Flourishing self-employment is not a phenomenon unique to BC. More and more Canadians across the country are creating their own jobs.

Nonetheless, British Columbia's five-year growth rate of 17.7% between 2001 and 2006 is much higher than that of the national average (+9.7%) over the same period. Only Newfoundland & Labrador (+22.8%) and Alberta (+18.8%) saw greater growth in the number of self-employed than BC and no other province exceeded the Canadian average. Over this period, Saskatchewan saw the most notable decline (-4.2%) in self-employed, likely reflecting a drop in the number of independent farmers. Nova Scotia (-0.6%) was the only other province to see smaller numbers of self-employed.



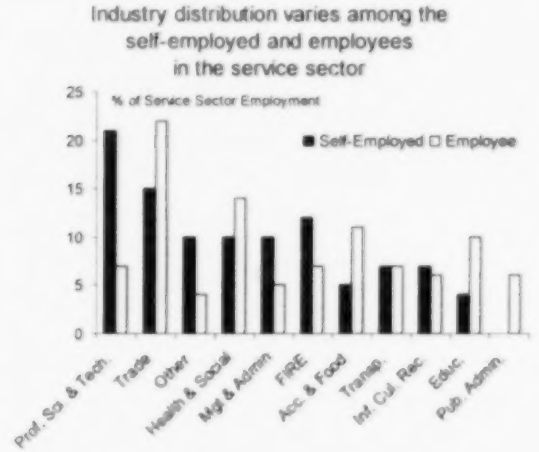
In what industries do BC's self-employed work?

The variety of business ventures established across the country are grouped for statistical purposes by industry. Last year, three-quarters (75%) of self-employed workers in British Columbia worked in a service sector industry. Within this group, 21% were in the professional, scientific and technical services classification. Trade (15%) and finance, insurance, real estate & leasing (12%) were the other two largest industries in the service sector.

Of the one-quarter of self-employed workers who were occupied in a goods-producing industry, nearly two-thirds (61%) were employed in construction, with a further 16% working in manufacturing.

British Columbia's numbers are similar to those for Canada as a whole. Nationally, there is a slightly smaller proportion of self-employed workers in the service sector (73% versus BC's 75%), but the breakdown of industries within the service sector is fairly similar in terms of their share of self-employed workers. Within the goods-producing sector, construction still leads the way at the national level (48% of self-employed workers in that sector). One notable difference in the breakdown between Canada and BC is that agriculture is much more significant at the national level, with a 30% share of goods-producing self-employed workers (compared to only 13% in BC).

It is not surprising that most self-employed people work in service industries, for this is also true of employees (80% in service industries). However, the distribution within the service and goods-producing sectors are quite different. For example, within the service sector, the self-employed are most prevalent in the professional, scientific & technical services industry, whereas among employed workers, work in retail & wholesale trade is more common.



What are the fastest growing industries among the self-employed in BC?

The industry showing the strongest self-employment growth over the past five years is construction. The number of self-employed

British Columbians working in some form of construction surged 65.7% between 2001 and 2006, from approximately 41,000 to 65,000. This is likely due in part to higher demand for skilled workers resulting from escalating building projects in preparation for the 2010 Olympics in Vancouver and also the recent housing boom across the province.

In the finance, insurance and real estate industry, there have always been self-employment opportunities open to independent advisors and contractors. These, along with other self-employed workers in the industry have come to account for a considerably larger part of its workforce since the beginning of the decade. They expanded from seven percent to nine percent of the overall industry workforce between 2001 and 2006, as their numbers jumped from 25 to 36 thousand.

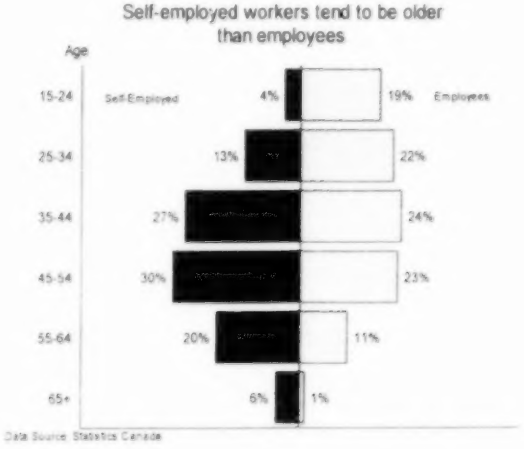
As major industries grow, demand becomes higher for workers in business, building & other support services. This includes, for example, office administrative services, employment placement agencies, call centres, security guards and document preparation services among many others. This industry has seen a traditionally large base of self-employed people grow even larger in recent years. Indeed, the number of self-employed British Columbians working in such fields surged nearly 30% between 2001 and 2006, adding approximately 7,000 jobs to the industry.

Of course there has always been a certain amount of self-employed work associated with the natural resource industries that still have a strong foothold in the British Columbia economy. For example, there are independent logging operations in forestry and independent fish boat owners in the fishing industry. Employment in general in the forestry, fishing, mining, oil & gas industry classification has shown significant volatility in recent years and self-employment was by no means an exception. Levels for the self-employed in this industry have seesawed since 2001, reaching a record low of 6,700 in 2005. However, last year marked a substantial growth period and numbers showed signs of rebounding, reaching nearly 11,000. Overall, the industry saw self-employment levels grow 17.4% between 2001 and 2006.

Older British Columbians account for larger proportion of self-employment

Self-employment as a percentage of all workers has been growing steadily in all age groups, but for those over 55 there has been a particularly sharp increase in the likelihood that they will be self-employed.

Well over half (58%) of BC's self-employed are between the ages of 35 and 54, compared to only 48% of employees. While 41% of employees are under the age of 35, only 17% of self-employed business owners fit this description. At the other end of the scale, 25% of entrepreneurs are aged 55 and over, compared to only 12% of employees.

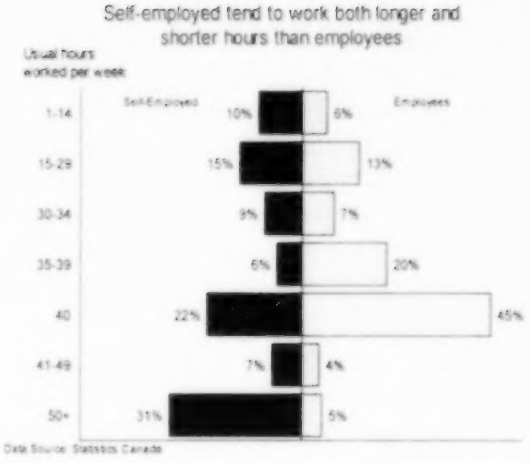


One possible reason for the high incidence of self-employment among older Canadians may be related to the retirement age in BC and in Canada as a whole. Many of those who have retired or semi-retired from their professions seek alternative sources of income and livelihood that offer them the flexibility possible with self-employment. Also, the self-employed in general tend to retire at a later average age than the general workforce. The average retirement age for all Canadian retirees in 2005[3] was 61 years, down from nearly 62 in 2004. The average retirement age for the self-employed also decreased in 2005, dropping from 67 to 66 years, but remained significantly higher than that of the average Canadian. Of course, it remains to be seen what sort of effect the loosening of mandatory retirement regulations will have on the employment and self-employment of older Canadians.

Hours Worked

In general, people who are self-employed tend to work more hours per week compared to those who are employees. Thirty-one percent of self-employed people in British Columbia worked exceptionally long hours (over 49 hours per week) in 2006. This compared to only six percent for employees.

Other self-employed people evidently had very different approaches to their work, and allotted different priorities for their time. These included the ten percent of the self-employed in British Columbia working less than 15 hours per week in 2006 and the further 15% who worked 15 to 29 hours. This compares to six and 13%, respectively, for employees.



For Canada as a whole, the group of long working self-employed represents an even larger proportion, with over 34% averaging 50 hours or more per week. The average work week for self-employed workers in Canada is approximately 41 hours, two full hours more than the British Columbia average (39 hours).

Continued growth?

It is difficult to pinpoint an explanation for the mushrooming incidence of self-employment in British Columbia in recent years. The type of work available for business owners may play an income bolstering role, offering economic opportunity when parts of the economy are weak as well as when they are strong. Working for oneself can offer flexibility that other types of employment do not. Students, semi-retired persons, or even people looking to earn extra income may prefer self-employment to other options. Also, many people may not view self-employment as a permanent role, but rather as a short-term means to meet current needs.

That being said, not everyone turns to self-employment because of conditions in the wage labour market or choose to be self-employed to fit their present lifestyle. There are also those

[3] The latest year for which data is available.

compelled by entrepreneurial drive, who aim to build their own businesses and, in doing so, instil innovation and diversity in the provincial landscape.

There is every likelihood that self-employment will continue to grow as the economy restructures, and diversifies away from the large natural resource industries upon which the province has traditionally relied so heavily. Notwithstanding 2006's slowdown in self-employment growth, the overall trend in BC over the past five years has shown clear signs of continued development.

BC inevitably draws people from across the country and around the world for the scenery, warmer climate and overall quality of life. If resources, accessibility and opportunity are made available for the entrepreneurial-minded, there is every likelihood that self-employment will continue to thrive in the province. If the province is to continue to boast an environment hospitable to self-employment while delivering greater employment choice and opportunity for the people of British Columbia, it remains important to develop new incentives and to expand the accessibility of new resources.

The province has numerous organizations, services and offices in place to foster this environment. For example, the Community Futures Development Association of B.C. (CFDA of BC) represents 34 individual Community Futures offices located throughout rural British Columbia. The offices support local entrepreneurship, and promote, coordinate and implement a variety of community development initiatives within their respective communities. They also offer a variety of entrepreneurial programs, business counselling, loan programs and business information to community members interested in expanding or starting their own businesses. In 2006, the federal government, through Western Economic Diversification Canada (WD), renewed a four-year funding agreement with Community Futures offices, providing more than $110 million across the four western provinces. During 2005-06, B.C.'s Community Futures approved a total of 397 loans to businesses, with a total value of $17.8 million, creating or maintaining almost 1,500 jobs.[4]

Earlier this year, the Canadian Government, through WD, announced that they will be providing $1.8 million toward programs, which will make small loans available to entrepreneurs in the Lower Mainland and Greater Victoria regions who do not qualify for regular business loans.[5] WD will be working along with Vancity and Coast Capital Savings, providing two four-year Micro-Loan Programs for local entrepreneurs.

Incentives such as these along with organizations, programs and a burgeouning economy all contribute to the overall health and longevity of BC's self-employment landscape.

[4] CFDA of BC. Pan West Annual Report 2005-06 2007. Retrieved from: www.communityfutures.ca

[5] Western Economic Diversification Canada. News Release, February, 2007. Retrieved from: ww.wd.gc.ca

Recent Feature Articles Listed by Issue Number

07-1: *'BC's Entrepreneurs'* (released Jun 2007)

06-4: *'Head Offices in BC'* (released Apr 2007)

06-3: *'Female Enterprise in British Columbia'* (released Dec 2006)

06-2: *'Regional Outlook: BC's Northeast'* (released Oct 2006)

06-1: *'Now Hiring: BC's Labour Well Running Dry'* (released Jun 2006)

05-4: *'The Business Gateway'* (released Mar 2006)

05-3: *'BC Restaurants: An Industry Overview'* (released Dec 2005)

05-2: *'Effects of Canadian Dollar Mixed for Small Business'* (released Oct 2005)

05-1: *'Small Businesses that Export'* (released Jun 2005)

04-4: *'Small Business Outlook'* (released Mar 2004)

04-3: *'Lumber Dispute Big Issue for Small Business'* (released Dec 2004)

04-2: *'Small Business and Older Workers'* (released Oct 2004)

04-1: *'Small Business Suffers Gas Pains'* (released Jun 2004)

03-4: *'Small Business is Embracing the Internet'* (released Mar 2004)

03-3: *'Cost of Insurance is the Top Concern for Small Business in BC'* (released Dec 2003)

03-2: *'Chartered Bank Business Loans Continue to Decline'* (released Sep 2003)

03-1: *'Moonlighting in British Columbia'* (released Jun 2003)

02-4: *'Stay-at-Home Workers'* (released Mar 2003)

02-3: *'Profile of Women Entrepreneurs'* (released Jan 2003)

02-2: *'A Comparison of Small Business Size, 1993 and 2001'* (released Sep 2002)

02-1: *'Will Retiring Boomers Lead to Labour Bust?'* (released Jun 2002)

01-4: *'Expectations of Manufacturers Showing Signs of Improvement'* (released Mar 2002)

01-3: *'Business and Consumer Bankruptcies are on the Rise in BC'* (released Jan 2002)

01-2: *'The Benefits and Costs of a Higher Minimum Wage'* (released Nov 2001)

01-1: *'Small Business On-Line: Internet Use Among SMEs'* (released Sep 2001)

00-4: *'Co-operatives Grew Steadily Throughout the 1990s'* (released May 2001)

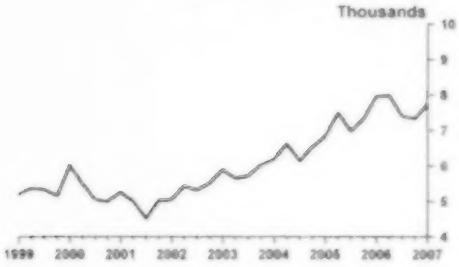
00-3: *'Profile of Self-Employed in British Columbia'* (released Mar 2001)

00-2: *'Latest Small Business Employment Numbers Show Three Year Changes'* (released Jan 2001)

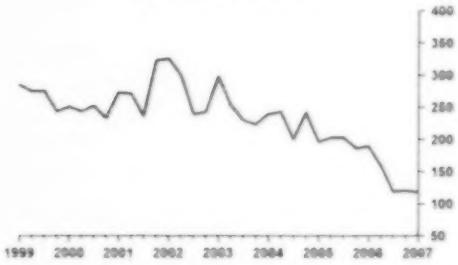
00-1: *'Some Distinctive Features of The Small Business Workplace'* (released Oct 2000)

Business Counts, Formations and Failures

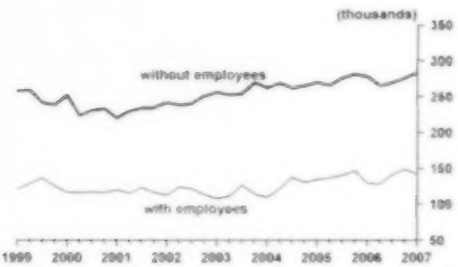
New Business Incorporations in British Columbia



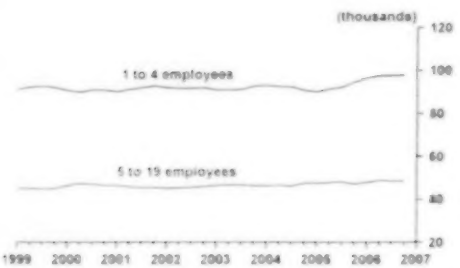
Number of Business Bankruptcies in British Columbia



Self-Employed Persons



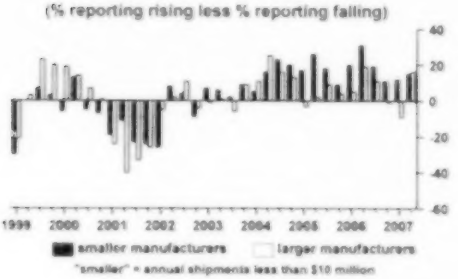
Small Businesses With Employees



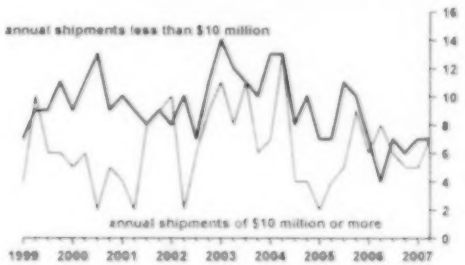
Business Conditions

Balance of Opinion on New Orders Received at Start of Quarter

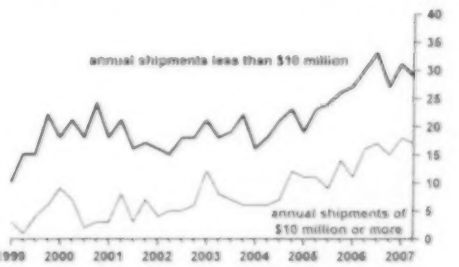
(% reporting rising less % reporting falling)



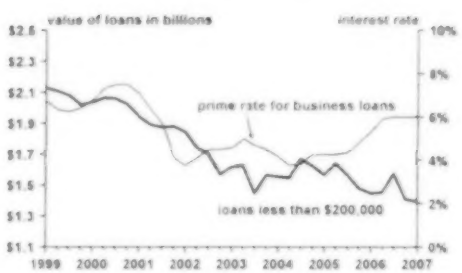
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Period	Active Employer Businesses [1] by number of employees						Employment [2] by number of employees in business				Self-employed [3]		
	Total	1-4	5-9	10-19	20-49	1-49	Total [4]	1-19	20-49	1-49	Total [5]	with paid help	without paid help
	('000)						('000)				('000)		
Annual Averages													
2001	156.9	91.5	27.2	18.5	12.4	149.7	1,593.0	415.9	186.8	602.7	351.4	118.7	228.9
2002	156.8	91.8	27.2	18.3	12.4	149.6	1,599.7	418.3	191.2	609.5	363.3	117.9	242.6
2003	157.6	91.4	27.8	18.7	12.5	150.4	1,634.3	425.0	197.9	623.0	376.3	114.9	257.7
2004	158.4	92.1	27.7	18.9	12.5	151.2	1,665.8	434.1	202.9	637.0	391.5	124.9	264.4
2005	160.7	92.1	28.2	19.5	13.3	153.0	1,709.2	441.7	207.2	649.0	415.8	139.6	273.1
2006	167.2	97.2	28.7	19.7	13.6	159.2	1,791.7	458.1	219.8	677.9	413.7	137.1	272.0
% change 2005-2006	4.0%	5.5%	1.9%	1.4%	2.3%	4.1%	4.8%	3.7%	6.1%	4.5%	-0.5%	-1.8%	-0.4%
Quarterly	*End of Quarter*						*Quarterly*				*Quarterly Averages*		
2003 Q1	157.2	90.9	27.8	18.6	12.6	149.8	1,601.4	412.2	188.0	600.2	367.1	107.8	255.6
Q2	157.4	91.0	27.9	18.7	12.6	150.2	1,649.8	425.9	199.7	625.6	367.1	110.7	252.3
Q3	157.5	91.1	27.9	18.8	12.5	150.3	1,633.2	432.4	204.8	637.2	382.5	126.6	253.4
Q4	158.4	92.8	27.7	18.6	12.3	151.3	1,652.9	429.6	199.2	628.9	388.4	114.3	269.6
2004 Q1	158.7	93.0	27.5	18.7	12.3	151.6	1,620.0	421.3	195.2	616.6	374.3	109.2	262.3
Q2	158.5	92.5	27.7	18.8	12.3	151.3	1,680.6	437.4	205.1	642.5	392.7	122.5	268.4
Q3	158.0	92.4	27.5	18.6	12.3	150.8	1,670.5	442.3	208.4	650.7	400.7	137.3	261.9
Q4	158.4	90.6	28.1	19.4	13.0	151.0	1,692.1	435.4	202.8	638.3	398.2	130.7	265.1
2005 Q1	158.3	90.0	28.1	19.4	13.2	150.7	1,661.1	427.5	194.9	622.4	409.4	134.7	269.8
Q2	160.1	91.4	28.2	19.5	13.4	152.5	1,723.1	443.0	207.3	650.3	404.9	136.5	265.6
Q3	161.7	92.2	28.3	19.8	13.5	153.8	1,708.7	449.0	216.3	665.2	419.1	140.6	275.8
Q4	162.7	94.7	28.0	19.1	13.1	154.9	1,743.8	447.5	210.5	658.0	429.6	146.7	281.2
2006 Q1	165.4	96.3	28.4	19.5	13.4	157.5	1,740.4	445.4	207.7	653.1	412.0	129.6	277.8
Q2	167.8	97.3	28.8	20.0	13.6	159.8	1,801.8	462.1	220.6	682.6	398.0	128.5	265.1
Q3	167.8	97.5	28.8	19.7	13.7	159.7	1,796.0	465.2	226.8	692.0	417.9	141.7	269.5
Q4	167.8	97.6	28.8	19.7	13.7	159.7	1,828.5	459.7	224.2	683.9	426.8	148.7	275.7
2007 Q1	-	-	-	-	-	-	1,796.9	450.4	214.6	664.9	426.4	141.8	282.7
% change year-over-year last available quarter	3.1%	3.0%	2.8%	2.9%	4.5%	3.1%	3.2%	1.1%	3.3%	1.8%	3.5%	9.4%	1.8%
Monthly													
Jun-06											389.7	121.3	264.2
Jul-06											402.8	136.4	257.8
Aug-06											424.7	140.6	277.7
Sep-06											426.3	148.2	273.0
Oct-06											427.9	155.7	269.0
Nov-06											420.9	145.5	273.3
Dec-06											431.7	144.8	284.7
Jan-07											427.9	140.2	284.6
Feb-07											423.8	144.2	277.7
Mar-07											427.4	140.9	285.9
Apr-07											423.8	127.7	295.5
May-07											432.2	133.2	296.9
% change year-over-year last available month											8.3%	-1.6%	14.5%
year-to-date	-	-	-	-	-	-	-	-	-	-	427.0	137.2	288.1

Notes:

[1] Source: Business Register

[2] Source: Survey of Employment, Payroll and Hours

[3] Source: Labour Force Survey

[4] Industrial aggregate excluding unclassified

[5] Total self-employed includes persons working in family business without pay

Source: Statistics Canada
Copyright material reproduced with permission

BC Stats (250) 387-0376

Period	Business Formation Indicators: New BC Business Incorporations	Registrations Extraprovincial Companies	Registrations Unincorporated Businesses	Bankruptcies: Business	Consumer
		(number)		(number)	
Annual Totals					
1995	23,846	1,966	19,279	973	4,747
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
2003	23,243	2,544	25,121	1,002	9,393
2004	25,428	2,456	25,244	921	8,386
2005	28,593	2,618	26,200	786	8,179
2006	30,667	3,088	26,783	587	7,022
% change 2005-2006	7.3%	18.0%	2.2%	-25.3%	-14.1%
Quarterly Totals					
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
Q4	6,016	629	5,749	223	2,191
2004 Q1	6,175	755	6,835	239	2,299
Q2	6,602	547	6,655	242	2,254
Q3	6,128	618	5,796	199	1,909
Q4	6,523	536	5,958	241	1,924
2005 Q1	6,814	544	6,637	196	2,205
Q2	7,489	719	7,452	202	2,187
Q3	6,970	750	6,247	202	1,945
Q4	7,320	605	5,864	186	1,842
2006 Q1	7,958	821	7,325	189	1,943
Q2	7,984	843	7,231	159	1,885
Q3	7,399	678	6,374	119	1,644
Q4	7,326	746	5,853	120	1,550
2007 Q1	7,730	887	7,284	118	1,796
% change year-over-year last available quarter	-2.9%	8.0%	-0.6%	-37.6%	-7.6%
Monthly					
Jun-06	2,715	332	2,392	48	646
Jul-06	2,364	239	2,140	37	484
Aug-06	2,518	229	2,170	32	577
Sep-06	2,517	210	2,064	50	583
Oct-06	2,509	275	2,225	42	587
Nov-06	2,454	269	2,041	41	526
Dec-06	2,363	202	1,587	37	437
Jan-07	2,527	288	2,288	50	551
Feb-07	2,520	258	2,307	33	609
Mar-07	2,683	341	2,689	35	636
Apr-07	-	-	-	42	574
May-07	-	-	-	-	-
year-to-date	7,730	887	7,284	160	2,370
% change year-over-year last available month	-6.8%	14.4%	0.0%	-20.8%	-5.4%

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate	Conventional 5 Year Mortgage	Canadian $ Average Noon Spot Rate	BC	Vancouver*	Victoria*
	(per cent)			(U.S. ¢)	(2002=100)		
Annual Averages							
2001	4.31	5.81	7.40	64.58	97.7	97.8	97.4
2002	2.71	4.21	7.02	63.69	100.0	100.0	100.0
2003	3.19	4.69	6.39	71.58	102.2	102.0	102.2
2004	2.50	4.00	6.23	76.98	104.2	104.0	104.6
2005	2.92	4.42	5.99	82.60	106.3	106.0	106.9
2006	4.31	5.81	6.66	88.18	108.1	108.0	108.5
% change 2005-2006	N/A	N/A	N/A	6.8%	1.7%	1.9%	1.6%
difference 2005-2006	1.40	1.40	0.67	N/A	N/A	N/A	N/A
Quarterly Averages							
2003 Q1	3.08	4.58	6.63	66.26	101.6	101.5	101.6
Q2	3.50	5.00	6.20	71.58	102.1	101.9	102.1
Q3	3.17	4.67	6.28	72.46	102.6	102.3	102.6
Q4	3.00	4.50	6.45	76.00	102.5	102.3	102.6
2004 Q1	2.67	4.17	5.85	75.90	102.9	102.6	103.0
Q2	2.25	3.75	6.45	73.57	104.5	104.3	104.8
Q3	2.33	3.83	6.38	76.51	104.7	104.5	105.1
Q4	2.75	4.25	6.25	81.94	104.9	104.7	105.3
2005 Q1	2.75	4.25	6.12	81.50	105.0	105.0	105.6
Q2	2.75	4.25	5.90	80.40	106.2	105.9	106.7
Q3	2.83	4.33	5.80	83.25	106.9	106.6	107.5
Q4	3.33	4.83	6.15	85.24	107.0	106.5	107.7
2006 Q1	3.83	5.33	6.40	86.62	106.8	106.5	107.4
Q2	4.42	5.92	6.82	89.11	108.4	108.1	108.9
Q3	4.50	6.00	6.83	89.19	108.7	108.5	109.1
Q4	4.50	6.00	6.60	87.78	108.6	108.8	108.8
2007 Q1	4.50	6.00	6.60	85.35	109.2	109.3	109.4
% change year-over-year last available quarter	N/A	N/A	N/A	-1.5%	2.2%	2.7%	1.9%
difference year-over-year last available quarter	0.67	0.67	0.20	N/A	N/A	N/A	N/A
Monthly							
Jun-06	4.50	6.00	6.95	89.78	108.7	108.4	109.0
Jul-06	4.50	6.00	6.95	88.56	108.8	108.5	109.2
Aug-06	4.50	6.00	6.85	89.42	109.0	108.7	109.3
Sep-06	4.50	6.00	6.70	89.59	108.4	108.4	108.8
Oct-06	4.50	6.00	6.80	88.61	108.3	108.4	108.6
Nov-06	4.50	6.00	6.55	88.01	108.7	108.9	108.9
Dec-06	4.50	6.00	6.45	86.73	108.8	109.1	109.0
Jan-07	4.50	6.00	6.65	85.04	109.0	109.0	109.1
Feb-07	4.50	6.00	6.65	85.42	109.1	109.3	109.3
Mar-07	4.50	6.00	6.49	85.60	109.5	109.6	109.7
Apr-07	4.50	6.00	6.64	88.16	109.9	110.0	109.9
May-07	4.50	6.00	7.14	91.33	110.5	110.6	110.2
% change year-over-year last available month	N/A	N/A	N/A	1.3%	1.7%	2.0%	0.9%
difference year-over-year last available month	0.00	0.00	0.39	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Sources: Bank of Canada, Statistics Canada.

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver*
	($ thousands)			($ thousands)			(number)	
Annual Totals								
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
2003	1,129,623	607,764	134,420	244,024	90,082	20,451	24,720	15,626
2004	1,228,027	812,400	67,800	328,050	140,419	8,120	30,875	19,430
2005	1,886,405	1,099,029	183,804	346,203	148,198	9,103	31,119	18,914
2006	2,493,684	1,666,544	107,231	358,843	172,413	11,892	32,571	18,705
% change 2005-2006	32.2%	51.6%	-41.7%	3.7%	16.3%	30.6%	4.7%	-1.1%
Quarterly Totals								
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,086	107,691	27,775	40,679	22,785	1,003	4,206	2,588
Q2	313,669	156,577	29,849	65,985	16,043	1,500	6,097	3,740
Q3	355,162	159,179	54,930	75,441	28,652	12,986	7,678	5,146
Q4	260,706	184,317	21,866	61,919	22,602	4,962	6,739	4,152
2004 Q1	260,672	174,174	14,042	47,164	10,009	3,393	6,079	3,698
Q2	374,553	266,254	17,076	79,549	41,841	1,791	9,008	6,064
Q3	328,277	198,638	13,676	92,804	28,585	1,781	8,533	5,437
Q4	264,525	173,334	23,006	108,533	59,984	1,155	7,255	4,231
2005 Q1	474,469	316,974	19,502	64,891	29,554	5,631	6,240	4,112
Q2	561,904	368,490	45,246	84,315	28,872	928	8,073	4,462
Q3	492,396	248,635	73,290	98,228	39,817	1,897	8,798	5,359
Q4	357,636	164,930	45,766	98,769	49,955	647	8,008	4,981
2006 Q1	440,817	290,979	30,288	67,757	24,401	6,115	7,939	5,093
Q2	621,372	389,719	36,636	97,698	36,187	3,091	8,371	4,868
Q3	617,789	391,151	23,068	106,359	64,503	1,670	8,546	4,776
Q4	813,706	594,695	17,239	87,029	47,322	1,016	7,715	3,968
2007 Q1	682,419	460,648	10,057	70,180	33,271	4,287	7,228	4,329
% change year-over-year last available quarter	54.8%	58.3%	-66.8%	3.6%	36.4%	-29.9%	-9.0%	-15.0%
Monthly								
Jun-06	214,970	142,525	15,652	51,555	16,356	1,752	2,635	1,297
Jul-06	246,362	126,619	16,706	23,907	15,173	675	3,413	2,163
Aug-06	214,893	174,848	2,674	39,180	19,100	882	2,415	1,313
Sep-06	156,534	89,684	3,688	43,272	30,230	113	2,718	1,300
Oct-06	395,782	308,525	4,946	22,740	5,653	89	2,933	1,256
Nov-06	283,389	196,539	4,005	47,232	33,534	545	2,531	1,405
Dec-06	134,535	89,631	8,288	17,057	8,135	382	2,251	1,307
Jan-07	199,805	133,306	2,841	21,902	8,563	1,662	2,538	1,327
Feb-07	247,412	161,261	4,913	25,323	11,648	2,528	2,070	1,248
Mar-07	235,202	166,081	2,303	22,955	13,060	97	2,620	1,754
Apr-07	220,397	173,652	7,084	23,852	7,818	2,460	2,863	1,428
May-07	-	-	-	-	-	-	3,028	1,902
year-to-date	902,816	634,300	17,141	94,032	41,089	6,747	13,119	7,659
% change year-over-year last available month	26.9%	47.1%	-8.5%	13.9%	-17.3%	671.2%	30.0%	50.1%

* Census Metropolitan Area

Sources: Canada Mortgage and Housing, Statistics Canada.
Copyright material reproduced with permission.

Period	Chartered Bank Business Loans in British Columbia			
	Less than $200,000	$200,000 to $500,000	Greater than $500,000	Total
	($ millions)			
Annual Averages				
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,748	13,158
2002	1,710	1,393	9,373	12,475
2003	1,558	1,297	9,491	12,347
2004	1,597	1,346	9,730	12,673
2005	1,561	1,377	10,490	13,428
2006	1,439	1,405	12,037	14,880
% change 2005-2006	-7.8%	2.0%	14.7%	10.8%
Quarterly				
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
Q4	1,563	1,258	9,311	12,132
2004 Q1	1,555	1,337	9,560	12,452
Q2	1,545	1,350	9,928	12,823
Q3	1,666	1,348	9,549	12,563
Q4	1,622	1,349	9,882	12,853
2005 Q1	1,566	1,363	10,319	13,248
Q2	1,637	1,388	10,745	13,770
Q3	1,564	1,386	10,206	13,156
Q4	1,478	1,370	10,691	13,539
2006 Q1	1,447	1,345	11,450	14,242
Q2	1,452	1,344	11,899	14,695
Q3	1,449	1,465	12,338	15,252
Q4	1,408	1,465	12,459	15,332
2007 Q1	1,391	1,541	13,227	16,159
% change year-over-year last available quarter	-3.9%	14.6%	15.5%	13.5%

Manufacturers' Outlook for Business Conditions
Companies With Annual Shipments Less Than $10 Million

Period	Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages)			Percent of Manufacturers Experiencing Production Difficulties From:		
	Inventory Levels High or Low	Orders Rising or Falling	Anticipated Production This Quarter	Working Capital Shortage	Skilled Labour Shortage	Unskilled Labour Shortage
	(index)			(%)		
Annual Averages						
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
2003	7	6	11	12	20	2
2004	5	16	16	11	20	5
2005	3	18	16	9	23	8
2006	2	20	19	6	29	12
Quarterly						
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	7	2	14	21	3
Q2	8	6	22	12	18	1
Q3	8	2	10	11	19	2
Q4	7	9	8	10	22	3
2004 Q1	7	5	-2	13	16	3
Q2	5	16	31	13	18	4
Q3	2	23	25	8	21	7
Q4	6	20	11	10	23	6
2005 Q1	1	17	12	7	19	6
Q2	3	26	29	7	23	7
Q3	6	18	22	11	24	8
Q4	2	9	2	10	26	9
2006 Q1	9	20	15	7	27	8
Q2	4	31	37	4	30	9
Q3	-3	19	16	7	33	14
Q4	-1	11	7	6	27	16
2007 Q1	1	12	13	7	31	20
Q2	4	15	26	7	29	16

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable. For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of $10 Million or More Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages) Inventory Levels High or Low	Orders Rising or Falling (index)	Anticipated Production This Quarter	Percent of Manufacturers Experiencing Production Difficulties From: Working Capital Shortage	Skilled Labour Shortage (%)	Unskilled Labour Shortage
Annual Averages						
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
2003	15	1	9	9	8	1
2004	7	16	10	7	8	2
2005	12	3	6	5	11	5
2006	8	9	11	6	15	8
Quarterly						
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-8	11	12	0
Q2	15	1	15	8	8	1
Q3	20	-6	18	11	7	0
Q4	10	9	10	6	6	1
2004 Q1	5	11	2	7	6	1
Q2	-1	25	24	13	6	1
Q3	16	16	7	4	7	2
Q4	9	13	7	4	12	2
2005 Q1	14	-3	-15	2	11	4
Q2	13	2	26	4	11	5
Q3	9	9	17	5	9	5
Q4	10	4	-3	9	14	4
2006 Q1	7	5	12	6	11	6
Q2	14	19	26	8	16	6
Q3	5	11	10	6	17	11
Q4	6	-1	-6	5	15	9
2007 Q1	17	-9	-9	5	18	10
Q2	22	16	30	7	17	10

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable. For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

Source: Statistics Canada.
Copyright material reproduced with permission.